UPS Contract Bulletin

UPS Committee of Teamsters for a Democratic Union, P.O. Box 10128, Detroit, Mich. 48210 (313) 842-2600 • June 10,1993 #4

'Yes Food' 'n Scare Tactics

In the good ole summertime of a contract year, management's idea of fun is good ole "Yes Food" (pizza, hot dogs, BBQ, donuts), to try to buy our votes cheap, and good ole scare tactics, if the Yes Food doesn't work. Call it what you like: divide & conquer, carrot & stick—enjoy the eats, but beware the after effects!

Bargaining between our union and UPS broke off May 27 and is scheduled to resume June 14. What's the news on how bargaining is progressing? UPS is not budging. Why not? They're waiting to see if they have to, and if so, how far and how fast—and that depends on us and the pressure we and our locals are willing to mobilize in support of Carey, Perrucci, and our union negotiating team.

UPS's response to our fair contract proposals has been to tell our negotiating team, "No way, we need more concessions, such as taking away more union rights and subcontracting 3-Day Select to shiny wheels." And CEO Oz Nelson and the corporation escalated their "Delivering Our Future" salvos, ordering district managers to send a corporate form letter to our homes where our families could read it just after the Memorial Day holiday.

UPS's letter was careful to include us on the team and tap our concerns: "... common sense tells us that we share some basic goals. We would like nothing more than to see UPS continue to grow and prosper and to see our people and our customers share in the success of our company."

But the letter's psych-job quickly turned vindictive on us, citing "our customers' fears of a service interruption" (and ours?), and reminding us about 1990: "You or some of your co-workers may have been laid off for a while." And it ended with a compliment/insult that we are the "hardest working, highest compensated, most dependable team in the industry. We need to work together to keep it that way."

This from a corporation that recorded its second-highest net after-tax profits ever in 1992—$765 million—despite $276 million losses in its overseas operations. A corporation whose top five executives averaged 16.9% salary and bonus increases (not counting 50-cent per share dividends on stock), compared with our 3.5% to 3.8%. (See June-July *Convoy Dispatch,* or contact TDU for financial info.)

We care about UPS and its dependability as much as management, maybe more. We "work together to keep it that way" every day. In fact, we bust butt. It's an insult that UPS claims it can't afford to deal with our real needs.

Volume Loss as Weapon

All we are demanding is our fair share, for a change. Our union is prepared to discuss solutions to the important issues. That's negotiations. They begin again June 14. If management had not frittered away these past weeks, many of our good customers—whom we proudly service every day—would not be considering whether "to divert their packages now as a means of protecting themselves."

Volume loss is a double-edged sword. Rather than negotiate, UPS is creating the conditions that will lead to that volume loss. If that's the path UPS chooses to take, we can't be intimidated by it. Layoffs will occur, and they will bring individual hardships and worries that each of us may be next. But we must remember, it's also putting tremendous pressure on UPS. The same goes for our strike fears. Management is even more fearful of volume loss, a work stoppage, and a loss of market share, especially in Air.

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Next Up: 'Positive Contacts'

It's a useful reminder to many of us and a helpful warning to new hires to review what one of UPS management's next steps on the contract will be: "Positive Contacts."

In 1990 a minimum of four "Positive Contacts" were made one-on-one to "sell the positive points" of the contract proposal to UPS Teamsters. A "Positive Contacts" sheet dated "7/10/90" was distributed (see back) to "all management people who supervise hourly employees represented by the Teamsters." "Positive Contact #1" was to be made the week following "union explanation meetings."

"Positive Contact #2" was to be made the day after management meetings to explain the contract, to "encourage positive reaction and the need to vote."

"Positive Contact #3" was made "on the person's having received the ballot" to find out if the person had returned his/her contract ballot, and to encourage them to do so.

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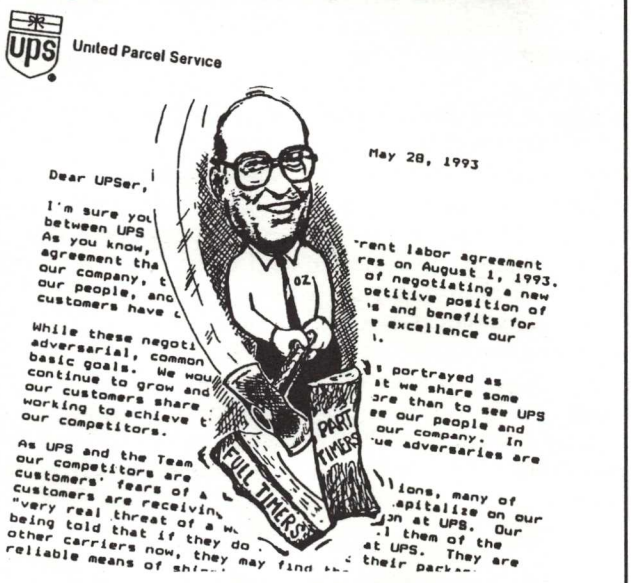
DON'T LET THIS HAPPEN



SOLIDARITY!

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Management Lies Test Members

The article below was planted by UPS executives in the management publication *Traffic World* on August 2, to test us, the UPS Teamsters. And it quotes unnamed "union sources." They are trying to subvert the union negotiations with it. None of this so-called "offer" had been put on the bargaining table as of August 5. Not one word of it.

Look at what they are saying:

- 50 cents an hour per year would be a "generous" offer. We already have had that much annual raise, or more, for many years. What "generosity!"
- A five year contract!
- They claim we're "addicted to bonuses" and offers a one-time lump sum "to sweeten" the offer (and try to buy contract votes!).
- Management to take over our health and welfare plans. Why? They claim to centralize efficiency, but that is a lie. Over 95% of H&W money goes directly to benefits, only a small fraction to administration. They want their hands on that so that over time they can cut benefits. As the article says, they would have "great latitude over the payment of benefits." Right.
- Same for our pensions. We are working hard within our union to improve our joint Teamster-employer pension plans. We advocate replacing many of our union trustees. But to give up our joint benefit plans is to give up any control that we as workers have over the administration of those funds and the benefits offered in the future. We want secure health benefits, and better pensions, won at the table. We don't want to turn it all over to management.
- They say we all earn $17.60 per hour. Some of us do, but what about part-timers? What about those of us in the Air Operations?

Management here says they are "turning up the heat." We say we need to turn up the heat as well. It's time to show them we won't be broken. It's time to move toward strike authorization votes in our union halls, to put some clout in the hands of our union negotiators. That's what it looks like it will take to make them bargain seriously.

Teamsters for a Democratic Union, P.O. Box 10128, Detroit, Mich. 48210•(313) 842-2600

TRAFFIC WORLD/August 2, 1993

UPS set to make 'great' wage offer in exchange for central pension plan

by John D. Schulz

United Parcel Service is prepared to offer its 160,000 Teamsters union members a healthy increase in wage and benefits in exchange for a mechanism that would centralize health, welfare and pension programs in one UPS pension plan, according to union sources.

The nation's largest transportation company was reportedly ready to offer an annual 50-cent hourly wage increase and generous increases in fringe benefits as negotiations reached the critical stage in Washington last week. UPS Teamsters currently earn $17.60 an hour, plus an additional $10.72 in benefits, for a total wage package at $28.32 per hour per employee.

The basic wage could rise to as much as $20.10 an hour, with the total package worth more than $35.50 an hour by the end of the contract, which could break precedent by continuing for five years, according to sources.

In addition, negotiators are discussing sweetening the company offer by including a one-time signing bonus of up to $1,500 or $2,000 per employee, sources said.

"This company knows workers have sort of become addicted to bonuses," one source close to the negotiations said. "I think this company knows exactly what will sell among union members."

Unlike the current three-year contract that was extended 10 days after it formally ended July 31, UPS is considering offering a four- or five-year deal this time. That would take the contract past the Teamsters' next general election in 1996.

Although UPS officials were reluctant to discuss specifics of the proposal, they acknowledged that changing the length of the three-year contract was under consideration.

"That's always something that's discussed," UPS spokesman Ken Sternad said. "It's our customers that have to put up with this every three years."

UPS officials appeared ready to offer the wage package last week as they apparently were becoming disenchanted with the slow pace of the negotiations, which began last April. At press time, both sides appeared ready to negotiate tough economic issues they had been avoiding during three months of preliminary talks.

"Nobody wishes these talks to be over more than us," Sternad said. "We're the ones losing business and losing customers. We have nothing to gain from waiting."

In exchange for what amounts to about a 3 percent annual increase in base wages and probably a higher increase in fringes, UPS is rejecting Teamster demands to end what the union describes as a two-tier wage structure between full- and part-time employees and union demands to end what it calls supervisor "harassment" of UPS workers.

UPS Contract Bulletin

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Let's Tell Our Managers to Tell Top Management:

'Negotiate, Damn It!'

After months of negotiations, UPS Teamsters are rightfully anticipating news of some breakthrough in the national contract bargaining. And though some progress has been made, virtually none had been made before July 4 on the major issues our union has presented to UPS on our behalf. Management has a very simple vocabulary when it comes to responding to our fair demands: "NO, NO, NO." It's getting stale.

UPS is not quite sure how to deal with our union negotiators. Management is not writing contract language and getting it rubber-stamped as they did in past negotiations. Our union negotiating team is not fraternizing with management in the bars each night after negotiations. And more local unions are cooperating with their members in distributing contract bulletins and supporting other activities than ever before.

UPS is puzzled, and uncertain whether it should begin to bargain in good faith, or play hard ball and try to shove its weight around. Either way, our union must be ready, to negotiate or fight. It's still up to us, the rank and file, to keep the pressure mounting at work.

MANAGEMENT'S GOOD OLD SONG & DANCE

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It's time that management did the prudent thing and started negotiating the details of a tentative agreement that is truly fair to all parties. We're not about killing the goose that lays the golden eggs—we made the goose what it is today! Neither are we about to give up our best shot since the 1970s to share in the goose's phenomenal success.

Our Pressure's Working

There are signs that our pressure is working:

- At negotiations the week of June 21 (with the calendar nearing July), UPS tried to cultivate a hurry-up atmosphere to the negotiations. After nearly three months of stonewalling, suddenly management wanted our union to sympathize with UPS's growing sense of urgency. Brother Perrucci told them (for the umpteenth time!) that our union is prepared to get down to good-faith bargaining whenever UPS is ready. But we won't be rushed into patching a contract together at the last minute.
- Also during the week of June 21, UPS asked our union to agree to extend the contract beyond the August 1 deadline. However, to do so, UPS demanded that our union agree to give UPS a 10-day notice before any strike action. The union refused to give up our bargaining power, but indicated it would bargain past July 31.
- UPS is doing all it can to keep a happy face in public. It used its contacts at the employer newspaper, *The Journal of Commerce,* to publish on June 30 a totally misleading article titled "Threat of Strike Against UPS Averted as Union Agrees to Extend Deadline."

That same day, an angry Perrucci issued a TITAN message to all local unions regarding *The Journal's* article, stating, "This is to clarify that the union has not agreed to such an extension. UPS wishes to impose a July 31st deadline on the negotiations, however, no deadline has been established by the union. We will continue to negotiate in good faith and if necessary, continue talks past July 31, 1993."

We're doing well. Our grass-roots organizing and unity are starting to work. Our bargaining power is rising. But we need to step up the pressure on UPS. It's the surest way of keeping the negotiations going forward.

Summary of Major Items Agreed to So Far*

*** Prior to July 4, UPS kept saying "NO, NO, NO" to the fair demands our union bargaining team has been putting forth on our behalf. Bargaining resumes July 6-9; July 12-16; July 19-23; and July 27-30, if needed.**

TEAMSTERS UPS
CONTRACT UPDATE
NO. 7 JUNE 25, 1993

HAZARDOUS MATERIAL SPILLS STILL NOT UNDER CONTROL

Two major spills at UPS facilities in two weeks show it's time for UPS to do a better job of protecting workers from hazardous materials.

Even after signing a national, company-wide agreement about these materials last year with OSHA (the federal job safety agency), these incidents continue to happen.

One of the recent spills—at the Lenexa, Kansas, UPS facility—sent 30 workers to the hospital.

Our union has proposed stronger contract language to protect workers' health and safety. This is particularly important since UPS is expanding the hazardous materials part of its shipping business.

"Non-hazardous" material injures three at airport

Three workers at the UPS facility at Baltimore-Washington International Airport were injured on June 18 by a hazardous material spill.

Workers in a DC-8 cargo plane were overcome by fumes from the chemical "Cyclic Amine," which spilled from a five gallon drum.

Airport firefighters and local hazardous material units spent more than six hours containing the spill.

In press accounts, a company spokesman described the chemical as a "non-hazardous" industrial solution.

But the Material Safety Data Sheet, a fact sheet on chemical products distributed by the producer of the chemical, shows just how dangerous this material can be.

The Material Data Safety Sheet says that Cyclic Amine can cause the following health problems:

- **EYES:** Irritating to eyes and eyelids; possible cornea damage.
- **SKIN:** Skin contact or absorption. Irritating, headache, nausea and weakness.
- **BREATHING:** Irritating to nasal and respiratory tracts. Headache, nausea, dizziness, narcosis, possible death.
- **SWALLOWING:** Symptoms listed above.

Two of the three workers suffered nausea and skin irritation and had trouble breathing. They had to be treated at the Maryland Shock Trauma Center where one was listed in serious condition before being released.

The union is demanding a full investigation of this incident by government agencies. A meeting was held between the Teamsters, the pilots union, and the company to discuss prevention of these spills in the future.

NEGOTIATIONS UPDATE

This year's negotiations are different for UPS.

The company is facing our most complete set of proposals ever for improving the contract and a union negotiating team determined to achieve a fair settlement.

Thousands of union members across the country are being kept informed by weekly *Contract Updates* from the National Negotiating Committee that are distributed by local unions. Many locals are holding weekly pre-shift meetings at work sites to answer members' questions.

This week in negotiations there were some small signs of progress. But we still have not had serious responses to our contract proposals on...

- Limits on harassment over productivity.
- A more effective grievance process.
- Action on job safety and health problems.
- Protection for drivers on loss and damage and money verification incidents so our members are not used as insurers for the company.
- Stopping supervisors from doing bargaining unit work.
- A substantial increase in pay and benefits.
- Improved pension rights and contributions.

National negotiations with UPS resume the week of July 6.

UPS Contract Bulletin

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UPS Master Agreement:

From Sliding Backward To Moving Forward

The tentative Master Agreement that our Teamsters union has negotiated with UPS is a step forward out of the deep concessionary hole negotiated over many contracts by the old guard. Local union officials met in Denver on Oct. 5 to receive the tentative agreement and discuss the details.

Management needed a good whacking. For once, our union had the leadership and unity to do it. UPS knew it, feared our strike threat, and it resulted in a good tentative agreement. But it took management six months to begin to show respect for our union. And we doubt they've learned a lasting lesson. Some UPS Teamsters who were ready to strike have expressed some justifiable disappointment. If this contract is approved, we must immediately turn our attention to enforcement and to building union strength.

The tentative agreement – master and supplements – will soon be mailed to all UPS Teamsters for a vote. The final judgment is where it should be, in the hands of each member, with a separate vote on the Master Agreement and your supplement, by majority rule. There is much to review, as so many articles have been changed. We urge every member to read the agreement before voting, and to pay special attention to your supplement.

There is an overall principle that separates this agreement from every one of the five past national agreements. In each of those cases, the union bargained over wages and benefits, and gave concession after concession to the employer to allow for virtually complete employer domination of our workplace and rights on the job.

This time, the union took a very different approach, and won major improvements in our rights on the job. The monetary package is, of course, very important, especially the larger pension and H&W contributions.

New directions have led to a new agreement. It is no accident that this agreement reverses directions that past agreements set. There are clear reasons for that. First, we have an **elected** leadership heading up our bargaining, not the old guard millionaires of the past. Second, we have a better informed membership, which is another part of the changes going on in our union. Third, for the first time ever, our strike vote was used **for us**. In the past, it was used as a threat **against us**, after the employer came out with a final offer. This time, our negotiators set a strike deadline after our 94% vote of solidarity, and forced management to bargain seriously.

These improvements cannot be fulfilled without a stronger union presence on the job. Improved stewards' rights will be most effective with a strong stewards system and the backing of local unions. Improved language to prevent supervisors working will work only if members and stewards make consistent use of it. Language against harassment depends on unity and aggressive enforcement.

Our next job, coming out of this contract, is to use this new language to build a stronger union. That stronger union in turn can produce further gains in the next agreement.

The agreement falls short of our goals. It is not perfect. It is not the answer to all of our problems. We went into this contract deep in the hole in a number of areas, and this agreement makes headway in getting us out.

For example, although the agreement makes progress on behalf of part-timers, the issue of the part-time wage differential (two-tier) remains unresolved. Some members feel our union should have hit the bricks over this issue.

The union bargaining committee made a judgment that they had gotten as much as realistically possible in one contract. Now it's up to the membership to decide if they agree. Overall, this Master Agreement is a real step for progress. A step that our union and its membership must now use to keep moving forward.

Pension Moneys Should Fund 25-and-Out

The large influx of money into the various pension funds should provide major pension improvements. Over four years, approximately 80 cents per hour, or $32 per week, will go into pension increases. Presently in the Central States Pension Fund UPS pays $85 per week, so there is a 38% increase into the fund.

The Central States fund, covering the Central and Southern conferences, has announced new benefits. These include 25-and-out at $1500. Also they include 26 contribution years at age 56 at $1600, 27/57 at $1700, 28/58 at $1800, and 29/59 at $1900. Also new benefits include 31 contribution years (any age) at $2100, 32 years $2200, 33 years $2300, 34 years $2400, and 35 years $2500. Also with 25 contribution years, after age 60, benefits will rise at age 61 to $1600, age 62 to $1700, age 63 to $1800, age 64 $to 1900 and age 65 to $2000.

These benefits are for the Central States fund. Some eastern funds are announcing improvements which are superior to these, including New York Local 804 and New Jersey Local 177. So far we have no word from the Western Conference Pension Trust.

Members have every right to demand major increases from these pension funds, such as 25-and-out at $2000 as some funds are announcing now, and the equivalent benefit in the Western. The negotiating committee negotiated your money into those pension funds, and the union trustees are there to see that the improvements in benefits are commensurate with the increased funding. The fight for pension improvements will continue.

Victory Within Victory!

This contract proposal contains two major victories that TDU is proud to have played a special role in winning: innocent till proven guilty in the grievance procedure, and a member's right to hold seniority at UPS while he or she serves our union as an elected or appointed official. TDU has worked to educate the membership about and organize support for these two important issues for over a decade. Add these to the growing list of reforms that TDU has popularized, fought for and won: the Right to Vote for our IBT officers, majority rule on our contract votes, the right to vote separately on our supplements. TDU needs **your** support and financial aid to keep up the good fight. Join TDU today!

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TDU Convention – the Place to Talk Contract

The timing of our TDU Convention, Oct. 29-31 in Pittsburgh, is almost perfect. Our votes won't be counted yet, but UPS Teamsters from across the country will be assembling there to talk about the tentative agreement. National UPS Meetings will be held early Saturday evening and Sunday morning.

Those attending will include concerned members, stewards, local officials, national bargaining committee members – and our special guest on Saturday, Mario Perrucci. Other convention highlights include educational workshops, such as on the new Americans With Disabilities Act (ADA) and how stewards can use it effectively. Call TDU to register now!